

## § 36.7

temporary license or registration to act in the capacity of a limited associated person of such sponsor, or be listed as a principal thereof, if such person and such person's sponsor:

(1) Certifies that he:

(i) Is licensed or otherwise authorized to do business and in good standing with another federal financial regulatory authority or a foreign financial regulatory authority with which the Commission has comparability arrangements under part 30 of this chapter and the sponsor, if applicable, has received part 30 relief;

(ii) Has filed his fingerprints with such other regulatory authority;

(iii) Is not subject to a statutory disqualification from registration under section 8a(2) of the Act; and

(iv) Will restrict his activities subject to regulation under the Act to section 4(c) contract market transactions; and

(2) Complies with any special temporary licensing, registration or principal listing procedures applicable to persons whose activities are limited to those specified in paragraph (b)(1)(iv) of this section that have been adopted by the National Futures Association and approved by the Commission.

## § 36.7 Risk disclosure.

(a) A futures commission merchant or, in the case of an introduced account, an introducing broker, may open an account for a customer with respect to an instrument governed by this part without furnishing such customer the disclosure statements required under §§ 1.55, 1.65, 33.7, and 190.10 of this chapter: *Provided, however*, that the futures commission merchant or, in the case of an introduced account, the introducing broker, does furnish the customer, prior to the customer's entry into the first section 4(c) contract market transaction with respect to a particular instrument, with disclosure appropriate to the particular instrument and the customer.

(b) This section does not relieve a futures commission merchant or introducing broker from any other disclosure obligation it may have under applicable law.

## 17 CFR Ch. I (4–1–01 Edition)

## § 36.8 Suspension or revocation of section 4(c) contract market transaction exemption.

The Commission may, after notice and opportunity for a hearing, suspend or revoke the exemption of any section 4(c) contract market transaction if the Commission determines that the exemption is no longer consistent with the public interest and the purposes of the Act.

## § 36.9 Fraud and manipulation in connection with section 4(c) contract market transactions.

(a) *Fraud.* The requirements of sections 4b(a) and 4o of the Act and § 33.10 of this chapter shall apply to section 4(c) contract market transactions. In any event, it shall be unlawful for any person, directly or indirectly, in or in connection with an offer to enter into, the entry into, the confirmation of the execution of, or the maintenance of any transaction entered into pursuant to this part—

(1) To cheat or defraud or attempt to cheat or defraud any other person;

(2) Willfully to make or cause to be made to any other person any false report or statement thereof or cause to be entered for any person any false record thereof;

(3) Willfully to deceive or attempt to deceive any other person by any means whatsoever.

(b) *Manipulation.* The requirements of sections 6(c), 6(d), and 9(a) of the Act and § 33.9(d) of this chapter shall apply to section 4(c) contract market transactions.

## PART 100—DELIVERY PERIOD REQUIRED

AUTHORITY: 7 U.S.C. 7a(a)(4) and 12a.

## § 100.1 Delivery period required with respect to certain grains.

A period of seven business days is required during which contracts for future delivery in the current delivery month of wheat, corn, oats, barley, rye, or flaxseed may be settled by delivery of the actual cash commodity after trading in such contracts has ceased, for each delivery month after May 1938, on all contract markets on which there